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Of Counsel: William R. Overend



UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

PALADYNE SYSTEMS, INC., a Delaware Corporation,

Plaintiff,

v.

STPENABLE, LTD., a United Kingdom Company,

Defendant.

Case No.: 5 7 (- 8421/6 - 8)

ORDER TO SHOW CAUSE FOR TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION AGAINST STPENABLE, LTD.

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Upon the complaint of Paladyne Systems, Inc. ("Paladyne"), the declaration of Sameer Shalaby, dated September 27, 2007, together with annexed exhibits, the declaration of Vladimir Agranov, dated September 27, 2007, and the accompanying memorandum of law, it is ORDERED, that the above named defendant show cause before this Court on the **2** ndday

of October, 2007, at 3:00 clock that day, or as soon thereafter as counsel can be heard, at Room 1320, United States Courthouse, 500 Pearl Street, New York, New York, why a preliminary injunction should not be entered, pursuant to Rule 65 of the Federal Rules of Civil Procedure, enjoining defendant STPenable, Ltd., and its directors, officers, agents, servants, affiliates, employees, and attorneys, and those persons in active concert or participating with them (collectively, "Defendant") from (1) using or disclosing Paladyne's trade secrets or confidential information, including Paladyne Security Master and Golden Copy, in any manner, except as is necessary and authorized in connection with the performance of STPenable's obligations to Paladyne under its November 1, 2005 Solution Integrator Agreement with Paladyne ("Agreement"); (2) selling, licensing, offering for sale or license, promoting or exploiting any product, technology or service based on or incorporating any of Paladyne's trade secrets or confidential information, including Paladyne Security Master and Golden Copy; (3) developing, consulting or advising concerning any software or other products for any third person where such activities would be based on or derived from Paladyne's trade secrets or confidential information, including Paladyne Security Master and Golden Copy; and (4) possessing, using, disclosing, or transmitting for any purpose, including solicitation, any confidential, proprietary or trade secret information contained in or derived from records or data of Paladyne, including Paladyne Security Master and Golden Copy, except as is necessary and authorized in connection with the performance of STPenable's obligations to Paladyne under the Agreement; and it is

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noon on October 2, 2007, with two courses y capies further it is further, and

ORDERED that, pursuant to Rule 65 of the Federal Rules of Civil Procedure, pending further order of this Court, the hearing of the motion for preliminary injunction, or until ten (10) business days from the date hereof, unless extended, whichever shall occur first, Defendant is temporarily restrained and enjoined from (1) using or disclosing Paladyne's trade secrets or confidential information, including Paladyne Security Master and Golden Copy, in any manner, except as is necessary and authorized in connection with the performance of STPenable's obligations to Paladyne under the Agreement; (2) selling, licensing, offering for sale or license, promoting or exploiting any product, technology or service based on or incorporating any of Paladyne's trade secrets or confidential information, including Paladyne Security Master and Golden Copy, (3) developing, consulting or advising concerning any software or other products for any third person where such activities would be based on or derived from Paladyne's trade secrets or confidential information, including Paladyne Security Master and Golden Copy, and (4) possessing, using, disclosing, or transmitting for any purpose, including solicitation, any confidential or proprietary information contained in or derived from records or data of Paladyne, including Paladyne Security Master and Golden Copy, except as is necessary and authorized in connection with the performance of STPenable's obligations to Paladyne under the Agreement; and it is further

ORDERED that the requirement for security be waived in view of the low risk of harm to posted, either in the form A a bond or counted's check defendant in maintaining the status quo (i.e., presenting the improper use and disclosure of no later than 4:00 pm on October 1, 2007 confidential, proprietary and trade secret information from Paladyne); and it is further

ORDERED, that service upon Defendant of a copy of the summons and complaint and this order, together with the papers upon which it was granted, to STPenable or its counsel at

or M. Wynter

by email 2:00 pm EST on their respective business address, via overnight delivery, on or before the ____day of October,-September 28, 2007, shall be deemed good and sufficient service.

DATED: New York, New York.

the issuance of the TRO is based on the Court's funding that Plaintiff has demonstrated a likelihood of success on the merits of its claim that Defendant has misappropriated its confidential information and trade secrets and that, absent a TRO, Plaintiff will be irreparably injured